

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Wednesday, January 25, 2023

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Clow, Vice Chairman Ehlers, Representatives Crane(13), Palmer, Barbieri, Dixon(1), Andrus, Furniss, Mitchell, Monks, Cornilles, Crane(12), Lanting, Petzke, Redman, Berch, Green (Miller), Rubel

**ABSENT/
EXCUSED:** Representatives Crane (12), Rubel

GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.

Chairman Clow called the meeting to order at 1:30 p.m.

Chairman Clow turned the gavel over to **Vice Chair Ehlers**.

DOCKET NO. 18-0203-2201: **Director Cameron** from Department of Insurance gave a history of his department's reduction of rules even prior to **Governor Little's** Zero Based Regulation. He noted how Idaho has become a trendsetter in the insurance regulation world because of the continued reduction in the regulations. Director Cameron explained the proposed rule changes in **Docket No. 18-0203-2201**, regarding Certificate of Liability Insurance for Motor Vehicles (ZBR Chapter rewrite).

In response to committee questions, **Director Cameron** explained as a general rule, they have avoided the terms shall and must in rules, unless required by statute. There is a permissiveness in the way the insurance certificate may be provided- either in the original contract or a copy thereof.

MOTION: **Rep. Berch** made a motion to approve **Docket No. 18-0203-2201**. **Motion carried by voice vote.**

DOCKET NO. 18-0701-2201: **Director Cameron** explained **Docket No. 18-0701-2201**, proposed rules for Acquiring Control, Insurance Holding Company Systems and Mutual Insurance Holding Companies (ZBR Rewrite). He said it is a simplification and rules reduction, not a change in policy or procedure. During the rule-making process, there were no comments or concerns expressed by industry or interested parties.

In response to committee questions, **Director Cameron** clarified the changes to the definitions of affiliated person is not changing the meaning but to reduce the number of words. He also explained changing the word dividends to distribution doesn't broaden the meaning.

MOTION: **Rep. Furniss** made a motion to approve **Docket No. 18-0701-2201**. **Motion carried by voice vote.**

DOCKET NO 18-0702-2201: **Director Cameron** explained **Docket No. 18-0702-2201**, pending rules for Reserve Liabilities and Minimum Valuations for Annuities and Pure Endowment Contracts (ZBR Chapter Rewrite). This rule does not change any policy or procedure or make any definitional change it is clarifying language and removes duplicated languages. During the rule-making process, there were no comments or concerns expressed by industry or interested parties.

In response to committee questions, **Director Cameron** clarified the tables used are tied to when the policy is purchased. The mortality tables are established nationally and they are the foundation by which carriers operate in developing rates.

MOTION: **Rep. Redman** made a motion to approve **Docket No. 18-0702-2201**. **Motion carried by voice vote.**

DOCKET NO. 18-0703-2201: **Director Cameron** explained **Docket No. 18-0703-2201**, pending rules for Valuation of Life Insurance Policies Including the Use of Select Mortality Factors (ZBR Chapter Rewrite). This rule does not change any policy or procedure or make any definitional change it is clarifying language and is simplifying the rules. During the rule-making process, there were no comments or concerns expressed by industry or interested parties.

MOTION: **Rep. Lanting** made a motion to approve **Docket No. 18-0703-2201**. **Motion carried by voice vote.**

Vice Chair Ehlers turned the gavel over to **Chairman Clow**.

RS 30059: **Rep. Petzke** presented **RS 30059** proposed legislation which protects the privacy of Idahoans by prohibiting a bank, savings bank, savings and loan association, or credit union chartered under this state's law (state-chartered financial institution) from disclosing to the federal Internal Revenue Service deposit and withdrawal transaction information for any account held at the state-chartered financial institution except when required by preexisting state or federal law.

In response to committee questions, **Rep. Petzke** explained any transactions information that would currently be legally released by subpoena would still be allowed, while stopping the IRS from additional regulations. He also shared that this RS has no threshold dollar amount. **Trent Wright** from the Idaho Bankers Association added there are a total of eight states he is aware of that have or will be bringing similar legislation forward this year.

MOTION: **Rep. Monks** made a motion to introduce **RS 30059**. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:13 p.m.

Representative Ehlers
Vice Chair

Michelle Anderson
Secretary